

Moriya Transportation Engineering and Manufacturing (6226 TSE 2nd Section)

----- March 29, 2022

Conducts manufacturing, sales and maintenance of large freight elevators

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【6226 Moriya Transportation Engineering and Manufacturing Sector : Machinery】

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2020	12,110	9.0	1,350	-	1,395	1.3	860	4.4	60.2	229.3	5.0
Mar. 2021	13,517	11.6	1,686	24.9	1,713	22.8	1,084	26.0	75.2	300.7	5.0
Mar. 2022	f 14,082	4.2	1,974	17.1	1,969	14.9	1,247	15.0	81.6	-	-

Note: Non-consolidated basis. Figures for the fiscal year ending March 2022 are the company's forecasts.
It conducted 1-to-5 stock split on January 4, 2022. Per share indicies are adjusted retroactively.

Conducts Manufacturing, Installation, Maintenance and Repair of Freight Elevators

Moriya Transportation Engineering and Manufacturing group consists of two companies, the company and one non-consolidated subsidiary in Shanghai, and is engaged in the businesses of manufacturing, sales, installation as well as maintenance and repair of elevators. Its net sales is categorized into elevators (excluding ship elevators), ship elevators and maintenance/repair, and each respectively accounted for 51.1%, 3.5% and 45.4% of net sales in the first nine months of the fiscal year ending March 2022.

Launched in March 1950, the company is engaged in businesses that thoroughly handle from the design/manufacturing to installation and maintenance/repair of elevators as a specialized manufacturer.

Freight Elevators

Freight elevators are required to have performance and functions including durability, such as a floor that is less likely to undergo peel-off or deflection even after long-term use with forklifts and other heavy machinery on it, and condensation measures in case of those for freezing and refrigeration environment. The company customizes its products according to the customers' needs. The average sales price per elevator is around 15 million yen for the past several years.

The number of elevators it installed in the fiscal year ended March 2021 was 432, of which 411 were new installations and 21 were replacements, showing that the business is centered on new installations. Of the new installations, 99.5% are for factories and warehouses.

Ship Elevators

The company receives orders from shipbuilding companies and provides passenger elevators that are installed on large ocean-going vessels, ferries, etc.

Maintenance/Repair

The company provides periodic inspections/checks, repair services and such under the maintenance/repair agreements concluded with its customers, targeting mainly elevators it delivered, excluding ship elevators. The number of elevators covered by contracts is 6,351 as of the end of 2021.

In the elevator industry, many companies secure long-term profit by narrowing the profit margin upon sales of elevators while receiving orders for after-sales periodic maintenance and inspections, and the company also adopts a similar revenue model.

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Financial Statements

Statement of income	Fiscal Year	Mar.2020		Mar.2021		Nine months to Dec. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		12,110	100.0	13,517	100.0	9,896	100.0
Cost of sales		9,390	77.5	10,325	76.4	7,491	75.7
Gross profit		2,720	22.5	3,192	23.6	2,405	24.3
Selling, general and administrative expenses		1,369	11.3	1,506	11.1	1,178	11.9
Operating profit		1,350	11.1	1,686	12.5	1,227	12.4
Non-operating income		66	-	50	-	57	-
Non-operating expenses		21	-	23	-	27	-
Ordinary profit		1,395	11.5	1,713	12.7	1,257	12.7
Profit before income taxes		1,356	11.2	1,713	12.7	1,257	12.7
Net profit		860	7.1	1,084	8.0	795	8.0

Balance sheet	Fiscal Year	Mar.2020		Mar.2021		Dec. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		5,500	64.8	6,844	69.4	6,814	68.8
Cash and deposits		365	4.3	1,755	17.8	2,531	25.6
Accounts receivable-trade		2,081	24.5	1,826	18.5	2,854	28.8
Inventories		3,035	35.8	3,235	32.8	1,404	14.2
Non-current assets		2,982	35.2	3,021	30.6	3,090	31.2
Property, plant and equipment		1,745	20.6	1,710	17.3	1,746	17.6
Intangible assets		90	1.1	89	0.9	129	1.3
Investments and other assets		1,146	13.5	1,221	12.4	1,213	12.3
Total assets		8,482	100.0	9,865	100.0	9,905	100.0
Current liabilities		4,341	51.2	4,494	45.6	3,815	38.5
Accounts payable - trade		1,951	23.0	2,024	20.5	2,495	25.2
Short-term borrowings		200	2.4	-	-	-	-
Current portion of long-term borrowings		183	2.2	136	1.4	120	1.2
Advances received		644	7.6	827	8.4	137	1.4
Non-current liabilities		835	9.8	798	8.1	772	7.8
Long-term borrowings		266	3.1	129	1.3	40	0.4
Net assets		3,305	39.0	4,571	46.3	5,316	53.7
Owners' equity		3,305	39.0	4,571	46.3	5,316	53.7

Statement of cash flows	Fiscal Year	Mar.2020	Mar.2021
		(mn yen)	(mn yen)
Cash flows from operating activities		278	1,727
Depreciation		78	80
Cash flows from investing activities		-26	-65
Cash flows from financing activities		-493	-269
Dividends paid		-71	-72
Net increase in cash and cash equivalents		-238	1,390
Cash and cash equivalents		292	1,682

Note: Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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